

Municipal Services Commission
Monthly Meeting
December 19, 2019 – 4:00 p.m.
216 Chestnut Street
New Castle, Delaware

The meeting was called to order at 4:00 p.m. with Dr. Roy Sippel, Commissioner, presiding.

Present: Dr. Roy J. Sippel, Commissioner, President
Daniel F. Knox, Commissioner
Dr. Allen Hansen, Commissioner
Pamela A. Patone, Secretary

Staff in Attendance: Tara French, Manager, Accounting & Customer Service Department; Jay Guyer, Manager, Water Department; Scott Blomquist, Manager, Electric Department

Minutes – A motion was made and seconded to approve the minutes for the November 25, 2019 meeting. The motion was approved. A motion was made and seconded to approve the minutes for the November 25, 2019 executive session. The motion was approved.

Commissioner Knox inquired on the amount of time it takes to transcribe the minutes. Discussion ensued regarding minutes.

Treasurer's Report – Secretary Patone reporting in the absence of Treasurer Stubbs

Secretary Patone reported a total operating cash balance of \$2,479,606.02. PNC escrow and meter deposit total in the amount of \$739,238.27. Total cash balance is \$3,218,844.29. Total investments are \$1,192,659.05. Electric Department Manager Scott Blomquist reviewed the bank statements for the month. Ms. Stubbs answered his questions satisfactorily. The accounts payable check register is attached to Treasurer Stubbs' report.

Secretary Patone brought certain disbursements to the attention of the Commissioners. There was payment made to Railroad Management for the Overhead Wire annual rental. Ms. French was reimbursed for her trip to the Customer Connections Conference in New Orleans October 27th-30th. MSC has a new uniform group, Murphy Custom Uniforms. Secretary Patone stated there were times she had multiple meetings at DEMEC resulting in President Sippel being unable to ride with her in the company vehicle. President Sippel was reimbursed for the standard mileage rate for using his personal vehicle.

A motion was made and seconded to approve the disbursements as presented. The motion was approved.

Accounting and Customer Service Department Report – Ms. French reporting
(See attached report.)

Commissioners reviewed the Statements of Revenues, Expenses, and Changes in Net Position for the Eight Months Ending November 30, 2019 and 2018. Dr. Hansen inquired if Capitalized Labor included Administrative Labor. Ms. French stated Capitalized Labor includes only the Electric and Water

Municipal Services Commission Meeting Minutes
December 19, 2019

Departments. Discussion ensued regarding Capitalized Labor. Secretary Patone stated only direct labor would be capitalized for a project, Operational Management is not capitalized. MSC applies 20% overhead of the project for Developer Deposits.

Electric Department Report – Mr. Blomquist reporting
(See attached report.)

Secretary Patone advised Commissioners there was an extra sheet added to the Electric Department report.

Developer Projects

20 Arbutus: Dr. Hansen inquired on the whereabouts of Arbutus.

Capital Projects:

Van Dyke Village: Manager Blomquist stated soon the project will have to be wrapped up for the remainder of winter.

Wilmington Road Substation: Manager Blomquist provided Commissioners with an update. A site visit took place on December 18th. Manager Blomquist stated MSC has two annunciators and one of them needs to be either repaired or replaced. The exact replacement cost for the item is \$13,800. The annunciator is currently not being used to its full capacity. For a replacement in the fashion MSC uses it currently would be \$9,620. Manager Blomquist stated with continual growth and adding new technology there should be no limit on the annunciator. Manager Blomquist requests approval for an exact replacement. MSC has the ability to move the alarms on one annunciator while the other is out of service. With 10% contingency included, the cost would be \$15,180. Secretary Patone stated this cost will be added to the Capital Budget. Commissioner Knox inquired what would happen if the new annunciator fails. Manager Blomquist stated it is believed something is internally wrong with the current annunciator in place. It was installed in 2012. From 2012-until it has been through five power supply cards. Manager Blomquist stated he does not believe this will happen with the replacement. The decision to repair or replace would be based off of the cost the Manufacturer provides. Commissioner Knox inquired whether the item is in stock or needs to be ordered. Manager Blomquist stated he did not know, considering all of the functions and many ways it can be ordered.

Delaware Street Repaving-City Project: Manager Blomquist provided Commissioners with an update. Manager Blomquist attended his third meeting with Delmarva Gas on December 19th where he was provided Delmarva's design of the project. A joint trench design will have to be made. Verizon provided their cost to Manager Blomquist in which he will provide to Commissioners. It is undetermined if Comcast will provide a cost, yet not expected considering past projects. Delmarva's plans are to begin the 2nd week of January 2020, at 4th Street going toward the Strand. Delmarva's gas lines end at the Strand, MSC's infrastructure continues down to the Wharf. MSC, Comcast, and Verizon, will have to plan on how to get this part of infrastructure underground. Secretary Patone stated the next step is to meet with Henkels & McCoy, Delmarva's Gas Contractor, to receive a quote on the cost. There are a few areas that need to be evaluated. Manager Blomquist stated MSC's pole located on 3rd and 4th Street is the end support structure for that line. This will require putting down guy wires in front of Bridgewater Jewelers. Secretary Patone stated there's also issues on Dalby Alley that need to be addressed. Secretary Patone, Manager Blomquist,

Municipal Services Commission Meeting Minutes
December 19, 2019

and Manager Guyer will meet with Bill Barthel and Jeff Bergstrom to discuss the alternatives. Secretary Patone hopes to schedule a meeting with Bonnie Metz regarding the cost associated with Verizon. Secretary Patone stated a special meeting will be called regarding Delaware Street Rehabilitation for direction from Commissioners. Commissioner Knox inquired if Verizon and Comcast provide service beyond the Strand. Manager Blomquist stated they currently do not have active service down to the end of the pole line, yet would like to maintain infrastructure to the end for future ability to serve.

AMI: (additional sheet provided to Commissioners)

Manager Blomquist stated in 2021, technical support for MCS's current MVRs software will expire. Manager Blomquist met with Itron. Itron replaced software/devices with new software/devices with no projection of an end date. The cost for the solution and training was \$24,000 with a yearly maintenance cost of \$1,200. Secretary Patone stated herself and Manager Guyer, and Manager Blomquist met regarding the Capital Budget-5 year projection. Secretary Patone's anticipation originally was to present the Capital Budget at the December 19, 2019 Commission meeting to ask for approval from Commission. This will be pushed back until the January Commission meeting.

Water Report – Mr. Guyer reporting
(See attached report.)

Projects

Del DOT – SR 9 / SR 273 Delaware Street Railroad Crossing Safety Improvements: Manager Guyer stated this item was not originally on the Capital Budget and has been added due to DelDOT's proposal to move the project completion time up from July 2021 to July 2020.

Delaware Street Repaving – City Project: Manager Guyer stated he is there to lend support to the Electric Department during the project and to make sure there are no conflicts with MSC's water mains and services. Dr. Hansen inquired if the paving on Delaware Street would go to the Wharf. Manager Guyer stated the repaving will go down to the Wharf. Repaving 5th – 6th Street is currently being explored by the City with no definitive answer at this time.

AMI Metering Project – American Municipal Power, Inc.: Manager Guyer stated MSC's current MVRs software would expire after December 2021. Manager Guyer stated after the meeting with Milford he gained a better understanding on setting up the system to begin accepting information from the meters. Manager Guyer stated the water meters will need to communicate through the electric meters, therefore all of the electric meters will need to be installed in the correct geographical area before water meters are able to be installed. Manager Guyer stated with upgrading systems, there will be a working period where both AMI/AMR systems will have to be maintained until fully integrated.

Carrie Downie Elementary School: During discussion on Carrie Downie's water service, Commissioner Knox inquired if the school was using the water. Mr. Guyer stated the school is using the water for utility purposes only. Bottled water is currently being used for cooking and drinking until the water service line including the water main tap can be replaced in the summer of 2020.

Operations

Municipal Services Commission Meeting Minutes
December 19, 2019

Outages and Reporting: Manager Guyer reported on 1 unplanned outage and stated Supervisor Jaegar was in contact with First Baptist church and the contractor throughout the outage. The contractor provided bottled water to the church during the outage. The contractor repaired the 4" domestic main. Once repaired, the Water Department flushed the service and collected a sample for bacteria testing. Everything was cleared and results were sent to First Baptist Church. Manager Guyer stated during the repair, corrosion was noticed on the exterior of the 4" and 8" pipes. Manager Guyer stated in the long term, it would be beneficial to plan on replacing MSC's portion from the main to the property line.

FOIA Request Centerpoint Building 250: Manager Guyer and Supervisor Jaegar collected and provided Secretary Patone with the requested information for the tenant at Centerpoint Building 250.

Water Projects

School Lane Well VFD Controls/SCADA Programming: During discussion, Manager Guyer stated when School Lane Well was originally rehabilitated; VFD controls were not done due to the SCADA system not being installed at that time. Manager Guyer stated the thought was when the well was rehabilitated again; VFD controls would be added at that time. The VFD controls will allow the pump motor to be paced and run in sequence with the finished well pumps to pump in the same amount of gallons that are being put out. This will be more energy efficient and match all other pumps that are installed or converted.

Delaware Street Railroad Crossing: Manager Guyer stated Delaware Street Railroad Crossing had been previously delayed. At a meeting with MSC and the City last month, the engineer from Century stated the project would be beginning in early July of 2020. Manager Guyer stated the goal of this project from a water perspective would be to eliminate the 6" and 8" main and have only the 12" main crossing underneath the railroad without creating any dead ends in MSC's water system. The other part of the project would be relocating the fire hydrant that is located at the intersection of 8th and Delaware Street. Manager Guyer stated traditionally on projects with Municipalities, the State is responsible for bearing the cost of the project. In the interest of eliminating the two dated mains, and improving MSC's water system cost sharing is recommended with MSC providing pipe materials and the State will provide the labor.

Delaware Street 12" Main Extension: Manager Guyer stated the 12" main extension originally started at the trail head on Delaware Street. The Water Department has worked on the extension, as improvements have been done. The goal is to extend the 12" main to 8th Street and tie in; therefore MSC will have a 2nd 12" main feeding the City. The idea with completing the short section of the 12" and 8" crossing on 10th Street would be to eliminate a dead end main on 10th Street and also take advantage of the State already having Delaware Street closed.

Frenchtown Road Well Rehabilitation: Manager Guyer expressed his concerns about Frenchtown Road Well after pulling School Lane Well considering both have about the same age. Manager Guyer strongly recommends rehabilitation on the Frenchtown Road Well.

Secretary Patone stated when the Capital Budget was discussed in October 2019, certain items were pushed closer, and other equipment items were pushed back. At that time underground Electric on Delaware Street was not considered. Secretary Patone stated management sticks to certain constraints concerning funding for projects. Secretary Patone feels management needs more time to evaluate costs which will be incurred over the next year. Management will review and discuss capital items again.

Municipal Services Commission Meeting Minutes
December 19, 2019

Frenchtown Road Well A/C Unit: All MSC facilities where there are variable frequency drives, it is recommended by the manufacturer to operate in a climate controlled environment. MSC would do the electrical work and the contractor would install the unit.

Facilities Projects

Heating Units 100 Municipal Blvd Utility Building: Manager Guyer stated the heating units at this location have been serviced regularly and still have had several issues. Units would be replaced with higher efficiency units.

Trucks/Large Equipment: Secretary Patone stated instead of replacing the current meter reading van with another van, a pick-up truck would be more user friendly. The truck would primarily be utilized by Water Operators and will be equipped for any equipment needed for meter reading.

Safety: Manager Guyer stated the Water Department has been reviewing and making notes for updates to MSC Safety Policy and Procedures Manual.

(Ms. French, and Messrs. Blomquist and Guyer were thanked and excused from the meeting.)

Secretary's Report – Secretary Patone reporting

DEMEC – Secretary Patone attended the DEMEC meeting on December 3. The Executive Committee provided no updates. The Audit Committee provided no updates. President McCullar reviewed the October 2019 financial statements. At the December DEMEC meeting each year, the U of D Fellowship Group attends and gives an update on student research. Concerning the Block Island/Rhode Island Project, the results were put in the form of articles and are under journal review. There was discussion concerning the economics of the project. When the project began, it was anticipated the project would bring the electric rates down for the community. Electric rates naturally came down by the time the project was completed. Reliability had improved significantly. Electric was being provided by Diesel, which was noisy, unclean, and caused flickering. It was found the wind was providing more reliable consistent service. There was discussion because UD professor attended who possessed knowledge of the Wind Project off the coast of Fenwick Island. He felt the push back stemmed from some of the political leaders in Maryland. Some of the concern there was the belief an agreement made prior to the project being communicated to the public. There was discussion between Commissioner Knox and Secretary Patone regarding Fenwick Park. The Professor expressed a memorandum of understanding is not a finalized agreement.

At the December DEMEC meeting each year, CPower attends and provides an update on demand-response. CPower provided details of the prior year and discussed the higher thresholds that are being implemented moving forward. Due to the polar vortex a year or so ago, CPower's demand-response program changed from only a summer program to also a winter program. President McCullar indicated DEMEC had not received any RPS document to review. There is expectation of an increase in the requirements for the next Legislative period. The different municipalities researching AMI projects was noted during the meeting. The Operating Budget was reviewed in detail at the November meeting and approved at the December meeting. President McCullar reviewed the Strategic Planning process which will take place in the spring of 2019. It was asked whether an update was wanted or a comprehensive holistic approach. A holistic approach would switch the program from a day and a half, to two and a half days. It was decided a comprehensive holistic approach was needed. Secretary Patone stated the idea is to do surveys of the Commission, Board, and Councils that are involved as to assess their needs and

Municipal Services Commission Meeting Minutes
December 19, 2019

expectations from DEMEC and their community's electricity, generational desires, and what should be priority. Secretary Patone stated the Efficiency Smart Program has developed an online home energy assessment. The assessment will allow an individual to enter specific information about their home. The assessment will develop a report with tips for that individual. This allows each individual to receive tips tailored to personal detail as opposed to generic tips. The City of Dover presented a letter to DEMEC indicating they will no longer be participating in DEMEC. Secretary Patone stated the details will be discussed with Commissioners in Executive Session. Commissioner Hansen inquired about when the Efficiency Smart program ends. Secretary Patone stated MSC has been in the program for 1.5 years, ending in a year and a half. Other municipalities are just beginning the program, as well as the City of Newark and Lewes. Secretary Patone anticipates the program will be renewed.

Cyber Security: The Disaster Recovery device has been installed, and is fully functioning and has been successfully tested. Secretary Patone stated she will keep Commissioners updated.

ATSDR: Letters containing results will be sent out to individuals early 2020. MSC will receive sample verbiage that will be distributed to the public to review prior to mailing.

Old Business: Ordinance changes regarding underground utilities recommended by Cohen Law– Secretary Patone stated she confirmed with Bill Barthel on December 19, the ordinance change will be put on the agenda for the January 2020 City Council Meeting. There were a few changes the City Solicitor had requested to be made. Secretary Patone was comfortable with the changes, and Cohen Law confirmed changes.

Electric Vehicles: No update at this time. Secretary Patone will work on the Electric Vehicle incentive discussed at the November 2019 Commission meeting once the Delaware Street underground project is further along.

Secretary Patone updated the Commissioners regarding the quotes for the Feasibility study. Both Bill Barthel, City Administrator and she agreed the firm with the experience and best grasp of the project was GBM. The proposal was for a total of \$38,000 so the City would pay \$19,000 and the MSC would pay \$19,000. The Commission previously approved \$10,000, therefore, the Secretary is requesting an additional \$9,000 to fund the assessment. Commissioner Hansen noted the proposal did not provide a timeline. Secretary Patone indicated she would require a timeline be added prior to commitment.

A motion was made and seconded to approve the additional funding of \$9,000 for the assessment. The motion was approved.

Secretary Patone reported under New Business the capital budget would be revised and presented at a later meeting. She may be requesting a Special Meeting to obtain approval regarding the Delaware Street Aerial to Underground project. She presented the December newsletter to the Commissioners which were sent to all customers. This newsletter provides the financial statements in a easy to read manner. She went on to report she has provided all requested information to the consultant for the annual financial projection and rate design update.

A motion was made and seconded to enter executive session at 5:28pm

A motion was made and seconded to enter general session at 5:38pm

Municipal Services Commission Meeting Minutes
December 19, 2019

A motion was made and seconded to approve the General Manager employment agreement. The motion was approved.

Next Meeting

Commissioners set the next monthly Board meeting to be January 30, 2020, 4 p.m., at the office of the Commission, 216 Chestnut Street, New Castle, Delaware.

Adjournment

A motion was made and seconded to adjourn the meeting. The motion received unanimous approval. The meeting was adjourned at 5:42.

Michele R. Grussemer

Michele R. Grussemer, Stenographer

Approved: Carole A. Stone
(Minutes transcribed from recording)

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

<http://newcastlemsc.delaware.gov/>

Office: 302 323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

Accounting & Customer Service Department Meeting Report

December 19, 2019

Prepared By: Tara French on December 13, 2019

- **Billing / Customer Service**

The Customer Service Department currently has 785 customers on the new bill pay site (about 25% of active customers up from last month). Of those, 135 are using the auto pay feature.

MSC has 291 customers who are paying by ACH (bank draft from their checking account) which is approximately 9% of MSC customer base.

ACSM French, GM Patone, WUM Guyer and EUM Blomquist attended a visit at Milford's facilities for an AMI discussion of their experiences internally and with AMP.

The CSD will begin running reports for the annual electric and water billing audits.

The CSD prepared monthly billing to customers.

- **Accounting**

ACSM French submitted the FYE 3-31-21 ACSD Operating Budgets to GM Patone for review.

Accounting continues to work with the Electric and Water Departments to reconcile completed projects for capitalizing.

Accounting is preparing for the calendar year end tax filings of 1099s

Accounting prepared the eight months ended November 30, 2019 workpapers and Financial Statements:

Total assets are \$20,413,005 for the eight months ended November 30, 2019.

There was a Surplus in Net Assets of \$686,575 of that \$262,506 is due to capitalized labor and equipment. This leaves a net surplus of \$10,337 in Water and \$413,732 in Electric.

MUNICIPAL SERVICES COMMISSION
(A Component Unit of the City of New Castle)
STATEMENTS OF NET POSITION
NOVEMBER 30, 2019 AND OCTOBER 31, 2019

	November 2019	October 2019
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 2,480,499	\$ 2,427,783
Investments	1,192,659	1,193,373
Accounts receivable, net	728,101	753,526
Grants receivable	-	-
Dividends receivable	168	175
Other receivables	14,207	32,016
Inventory	708,893	701,573
Prepaid expenses	116,368	123,785
Total Current Assets	<u>6,240,895</u>	<u>5,232,231</u>
Restricted Assets:		
Cash and cash equivalents - restricted	\$ 738,344	\$ 740,119
Noncurrent Assets:		
Land	45,386	45,386
Construction-in-progress	477,997	1,052,697
Property, plant and equipment	24,584,417	23,974,756
Less: Accumulated depreciation	<u>(13,394,947)</u>	<u>(13,331,230)</u>
Total Noncurrent Assets	<u>11,712,853</u>	<u>11,741,608</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows - pension	200,878	200,878
Deferred outflows - regulatory accounting	<u>2,520,035</u>	<u>2,520,035</u>
Total Deferred Outflows	<u>2,720,913</u>	<u>2,720,913</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 20,413,005</u>	<u>\$ 20,434,871</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 528,833	\$ 524,063
Accrued expenses	-	-
Payroll withholdings payable	12,204	32,311
Accrued wages	21,524	62,066
Accrued appropriations	112,225	56,113
Developer deposits	11,925	17,163
Other liabilities	1,193	1,192
Total Current Liabilities	<u>687,904</u>	<u>692,907</u>
Noncurrent Liabilities:		
Escrow deposits	4,482	4,479
Customer deposits	733,863	735,640
Accrued compensated absences	392,346	390,475
Net pension liability	<u>982,922</u>	<u>985,895</u>
Total Noncurrent Liabilities	<u>2,113,613</u>	<u>2,116,489</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - pension	<u>136,917</u>	<u>136,917</u>
NET POSITION		
Net investment in capital assets	11,712,853	11,741,608
Unrestricted	<u>5,761,718</u>	<u>5,746,950</u>
TOTAL NET POSITION	<u>17,474,571</u>	<u>17,488,558</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 20,413,005</u>	<u>\$ 20,434,871</u>

MUNICIPAL SERVICES COMMISSION
(A Component Unit of the City of New Castle)
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE EIGHT MONTHS ENDING NOVEMBER 30, 2019 AND 2018

	2019	2018
OPERATING REVENUES:		
User charges	\$ 7,685,564	\$ 7,787,852
City service charges	43,549	46,030
Free service	31,714	30,044
Miscellaneous	50,966	62,619
TOTAL OPERATING REVENUES	7,811,793	7,926,545
LESS: Free service	(4,964)	(5,844)
NET OPERATING REVENUES	7,806,829	7,920,701
 PURCHASE OF POWER AND WATER	(3,952,779)	(4,198,202)
PURCHASE OF POWER SUBSTATION	(423,096)	(423,096)
 OPERATING EXPENSES	(1,889,913)	(1,771,739)
MISCELLANEOUS OPERATING EXPENSE		-
 GENERAL AND ADMINISTRATIVE EXPENSES	(717,317)	(626,698)
 OPERATING INCOME	823,724	900,966
Capitalized Labor	220,592	-
Capitalized Material	41,914	-
 OPERATING INCOME AFTER CAPITALIZED ITEMS	1,086,230	900,966
 NONOPERATING REVENUES (EXPENSES):		
Investment income	27,561	22,728
Investment expense	(1,992)	(2,478)
Grant Income	-	-
Realized Gain(Loss) on Sale of Investments	(15,161)	-
Realized Gain(Loss) on Sale of Assets	3,300	-
Appropriations to the Mayor and Council of New Castle:		
Ordinary	(448,902)	(440,996)
City services	(17,385)	(14,453)
Special	(412)	(5,919)
Other	(3,632)	-
Unrealized gain (loss)	56,968	(33,048)
TOTAL NONOPERATING EXPENSES	(399,655)	(474,166)
 CAPITAL CONTRIBUTIONS		
Private developer contributions	-	16,061
 CHANGE IN NET POSITION	686,575	442,861
 NET POSITION, BEGINNING OF YEAR	16,787,996	15,866,654
 NET POSITION, END OF YEAR	<u>\$ 17,474,571</u>	<u>\$ 16,309,515</u>

MUNICIPAL SERVICES COMMISSION
(A Component Unit of the City of New Castle)
COMBINING SCHEDULES OF REVENUES AND EXPENSES BY DEPARTMENT
FOR THE EIGHT MONTHS ENDING NOVEMBER 30, 2019 AND 2018

	Water Department		Electric Department		Total	
	2019	2018	2019	2018	2019	2018
OPERATING REVENUES:						
User charges	1,347,929	1,196,252	6,337,635	6,591,600	7,685,564	7,787,852
City service charges	12,760	12,761	30,789	33,269	43,549	46,030
Free service	4,838	2,674	26,876	27,370	31,714	30,044
Miscellaneous	9,885	26,889	41,081	35,930	50,966	62,619
TOTAL OPERATING REVENUES	1,375,412	1,238,376	6,436,381	6,688,169	7,811,793	7,926,545
LESS: Free service	(2,504)	(3,071)	(2,460)	(2,773)	(4,964)	(5,844)
NET OPERATING REVENUES	1,372,908	1,235,305	6,433,921	6,685,396	7,806,829	7,920,701
PURCHASE OF POWER AND WATER	(14,772)	(17,243)	(3,938,007)	(4,180,959)	(3,952,779)	(4,198,202)
PURCHASE OF POWER SUBSTATION			(423,096)	(423,096)	(423,096)	(423,096)
OPERATING EXPENSES	(392,257)	(921,661)	(897,656)	(850,078)	(1,895,913)	(1,771,739)
GENERAL AND ADMINISTRATIVE EXPENSES	(276,208)	(238,327)	(441,109)	(388,371)	(717,317)	(626,698)
OPERATING INCOME	89,671	58,074	734,053	842,892	823,724	900,966
Capitalized Labor	84,227		136,365		220,592	
Capitalized Equipment	29,667		12,247		41,914	
OPERATING INCOME AFTER CAPITALIZED ITEMS	203,565	58,074	882,665	842,892	1,086,230	900,966
NONOPERATING REVENUES (EXPENSES):						
Investment income	3,967	3,898	23,594	18,830	27,561	22,728
Investment expense	(299)	(372)	(1,693)	(2,106)	(1,992)	(2,478)
Grant income	-	16,061	-	-	-	16,061
Grant expense	-	-	-	-	-	-
Private developer contributions	(2,274)	-	(12,887)	-	(15,161)	-
Realized Gain(Loss) on Sale of Investments	1,650	-	1,650	-	3,300	-
Realized Gain(Loss) on Sale of Assets	(89,906)	(63,631)	(378,996)	(377,365)	(448,902)	(440,996)
Appropriations to the Mayor and Council of New Castle	(17,385)	(14,453)	(412)	(3,988)	(17,385)	(14,453)
Ordinary	-	(1,931)	-	-	(412)	(5,919)
City services	(3,632)	(4,957)	0	-	(3,632)	-
Special	8,546	-	48,423	(28,091)	56,968	(33,048)
Other	-	-	-	-	-	-
Unrealized Gains/(Losses)	-	-	-	-	-	-
TOTAL NONOPERATING REVENUES (EXPENSES)	(79,334)	(65,385)	(320,321)	(392,720)	(399,655)	(458,105)
CHANGE IN NET POSITION	\$ 124,231	\$ (7,311)	\$ 562,344	\$ 450,172	\$ 686,575	\$ 442,861

MUNICIPAL SERVICES COMMISSION
(A Component Unit of the City of New Castle)
COMBINING SCHEDULES OF OPERATING EXPENSES BY DEPARTMENT
FOR THE EIGHT MONTHS ENDING NOVEMBER 30, 2019 AND 2018

	Water Department		Electric Department		Total	
	2019	2018	2019	2018	2019	2018
OPERATING EXPENSES:						
Clothing allowance	\$ 2,935	\$ 2,130	\$ 5,944	\$ 5,831	\$ 8,879	\$ 7,961
Computer expense	7,348	7,888	8,016	8,878	15,364	16,546
Depreciation:						
Plant and equipment	241,298	237,178	134,463	126,195	375,761	363,373
Trucks and autos	17,006	10,588	49,802	42,189	66,808	52,757
Employee benefits	84,476	84,030	97,898	96,947	182,174	180,977
Engineering fees	-	-	-	-	-	662
Equipment rental	229	229	280	433	509	69,251
Insurance	42,220	38,279	33,251	30,972	75,471	55,420
Payroll taxes	29,328	26,953	33,086	29,467	62,414	102,086
Pension expense	51,351	52,367	47,838	49,719	99,189	4,484
Plant materials and supplies	1,553	2,028	1,001	2,456	2,554	-
Professional Fees	1,067	-	3,579	-	4,646	-
Repairs and maintenance:						
Buildings and grounds	6,084	5,531	2,434	2,213	8,518	7,744
Hydrants, mains, and va	3,433	15,700	-	-	3,433	15,700
Lines and poles	-	-	3,915	6,804	3,915	6,804
Meters and services	2,776	4,364	(1,423)	28	1,353	4,392
Pumping stations	16,478	25,950	-	-	16,478	25,950
Street lights	-	-	1,405	-	1,405	-
Substations	-	-	1,972	3,664	1,972	3,664
Storm Damage	-	-	199	3,251	199	3,251
System Maintenance	-	-	-	-	-	-
Salaries and wages	408,590	357,474	436,334	392,289	844,924	749,763
Safety expense	451	1,128	330	1,686	781	2,814
Sampling and testing	3,485	3,244	5,057	3,758	8,542	7,002
Security	-	-	583	(2)	583	(2)
Seminars/Training	1,516	578	2,623	937	4,139	1,515
Obsolete Inventory	-	-	-	-	-	-
Equipment < \$5000	-	-	-	4,624	-	4,624
Tools & Equip Supplies	10,563	13,767	11,623	12,559	22,186	26,326
Truck expense	11,291	15,046	12,879	20,227	24,170	35,273
Utilities	18,360	18,249	4,967	5,153	23,317	23,402
Water Treatment Supplies	30,429	-	-	-	30,429	-
TOTAL OPERATING EXPENSE:	\$ 992,257	\$ 921,661	\$ 897,656	\$ 850,078	\$ 1,889,913	\$ 1,771,739

MUNICIPAL SERVICES COMMISSION
(A Component Unit of the City of New Castle)
COMBINING SCHEDULES OF GENERAL AND ADMINISTRATIVE EXPENSES BY DEPARTMENT
FOR THE EIGHT MONTHS ENDING NOVEMBER, 2019 AND 2018

	Water Department		Electric Department		Total	
	2019	2018	2019	2018	2019	2018
GENERAL AND ADMINISTRATIVE EXPENSES:						
Administrative	\$ 12,432	\$ 12,063	16,777	\$ 15,916	29,209	\$ 25,335
Bad debts	1,310	133	11,367	1,442	12,677	3,494
Clothing	450	622	549	760	999	1,104
Computer expense	11,661	11,309	14,253	13,823	25,914	21,488
Depreciation - furniture and fixtures	11,368	9,958	19,557	20,003	30,925	26,487
Dues and subscriptions	3,007	2,726	1,951	1,633	4,958	4,284
Employee benefits	25,417	19,238	37,740	34,062	63,157	46,299
Insurance	10,014	9,573	11,067	10,679	21,081	17,717
Key Accounts	293		359		652	
Office salaries	135,633	111,807	229,694	197,457	365,327	263,922
Office supplies	12,323	10,960	18,563	15,546	30,886	22,515
Payroll taxes	9,927	8,372	16,968	14,829	26,895	20,185
Pension expense	15,857	14,031	30,302	28,500	46,159	37,289
Professional fees	12,390	12,167	14,695	14,975	27,085	26,723
Fees and Permits						
Repairs and maintenance - equipment/building/grounds	3,229	3,875	3,947	4,736	7,176	7,688
Security system	1,480	1,318	1,810	1,611	3,290	2,659
Telephone	5,723	7,634	6,994	9,330	12,717	14,715
Training - administrative	2,963	1,752	3,622	2,104	6,585	3,831
Utilities and other expenses	731	789	894	965	1,625	1,574
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	276,208	238,327	\$ 441,109	388,371	\$ 717,317	626,698

ELECTRIC DEPARTMENT COMMISSION REPORT

December 19, 2019

Prepared by Scott Blomquist on December 11, 2019

1. Developer Projects:

a. Sheriffs House:

- I. There is nothing to update on this project.

b. 6 Merit Drive:

- I. This project is complete.

c. 20 Arbutus:

- I. Manager Blomquist was contacted by a developer who is building a house at 20 Arbutus. Manager Blomquist met Mr. Steve Heslip of Arbor Services Inc. and discussed the electric installation to the premise. Mr. Heslip asked for the MSC to provide an estimate for the MSC to install the electric. An estimate was prepared and the developer paid the costs.

2. Capital Projects:

a. Van Dyke Village:

- I. Conduit has been installed to most of the service locations for the 5th transformer location. With weather and the holidays there has been less activity on this project. We still plan to work weather permitting.

b. Wilmington Rd Substation:

- I. There has been no work on the fence over the last month.
- II. There is nothing to update on the new camera installation at this time.

3. Capital Purchases:

a. Dump Truck:

- I. There is nothing to update for this purchase.

MUNICIPAL SERVICES COMMISSION
CITY OF NEW CASTLE, DELAWARE 19720-0208
P.O. BOX 208
<http://newcastlemsc.delaware.gov/>
Office: 302 323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

ELECTRIC DEPARTMENT COMMISSION REPORT

December 19, 2019

Prepared by Scott Blomquist on December 11, 2019

4. Operations:

a. Outages :

- I. We had one outage over the last month. 12/10/2019 we had an outage in Vandyke Village due to a squirrel on a transformer. 11 Customers were affected for 45 minutes.
- II. 12/01/2018 – 12/01/2019

SAIDI (minutes)	SAIFI (number of interruptions)	CAIDI (minutes)	ASAI (percent)
17.143	0.159	108.1	99.99

SAIDI - is the average outage duration for each customer served.

SAIFI - is the average number of interruptions that a customer would experience.

CAIDI - gives the average outage duration that any given customer would experience.

ASAI - is the Average Service Availability Index.

5. Repairs and Maintenance:

a. Wilmington Road Substation:

- I. The Electric Department performed the monthly inspection at this location.

MUNICIPAL SERVICES COMMISSION
CITY OF NEW CASTLE, DELAWARE 19720-0208
P.O. BOX 208

<http://newcastlemsc.delaware.gov/>

Office: 302 323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

ELECTRIC DEPARTMENT COMMISSION REPORT

December 19, 2019

Prepared by Scott Blomquist on December 11, 2019

- II. We have not made a decision on the appropriate fix for the Annunciator at this time. We have the manufacturer sending out a rep to go into a more depth investigation. The site visit is scheduled for December 18th.
- III. We received a RMA for the 210 Relay from ABB. It has been shipped back to the manufacturer so their engineers can try to determine what caused the relay to trip and not reclose.

b. Dobbinsville Substation:

- I. The Electric Department performed the monthly inspection at this location.

6. Safety:

- I. The electric department has a safety meeting scheduled for 12/13/19 to go over our existing safety manual and discuss changes if they are needed.
- II. Daily tailgate forms are filled out and turned in with work orders.

7. Delaware Street Rehabilitation City:

- I. We had a second meeting with Delmarva Gas on December 5th. We approached them about their contractor installing conduits for the MSC as they install the gas main. We also asked about installing conduits for Verizon and Comcast at the same time. Delmarva Gas and their contractor were open to this. Manager Blomquist has been working on design. We are waiting for Delmarva to forward their gas plans to us so we can adjust design to accommodate a joint trench install. We reached out to Verizon and had a meeting with the area engineer. Verizon is working on getting costs and a design together. They will also need Delmarva's plans so they can design to accommodate the joint trench installation. We reached out to Comcast and have a meeting scheduled for Friday 12/13/2019 at 100 Municipal Blvd. We have another meeting scheduled for 12/19/19 with Delmarva Gas to get an update on their projected schedule and discuss further joint trenching to include Verizon and Comcast.

8. Training:

MUNICIPAL SERVICES COMMISSION
CITY OF NEW CASTLE, DELAWARE 19720-0208
P.O. BOX 208

<http://newcastlemsc.delaware.gov/>

Office: 302 323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

ELECTRIC DEPARTMENT COMMISSION REPORT

December 19, 2019

Prepared by Scott Blomquist on December 11, 2019

- I. GM Patone, Manager French, Manager Guyer, and Manager Blomquist took a trip to Milford and went over their AMI installation. This trip was very helpful in getting a better understanding of our approach to AMI.

9. Electric Vehicle Program:

- I. GM Patone and Manager Blomquist would like to start a program that offers a rebate to customers that decide to purchase an EV. The desire of this program is to get customers to reach out to the MSC when they purchase an EV and provide the MSC with the requirements of the charging system they would purchase. There are 2 levels of chargers that are available for residential installations. The level 1 charger is a slow charger and uses power from a normal 15 amp outlet. The level 2 charger is a dedicated 50 amp charging circuit. There is a concern that if multiple customers on the same transformer add level 2 chargers to their residence we could very quickly have an over loading condition of the transformer. Our thoughts are to provide a small rebate to encourage the customers to reach out to us which will then allow us to track the installations and let us be aware of locations that there is potential to have an over loading condition.-No new information on this program to date.

10. Capital Budget:

- I. GM Patone, Manager Guyer, and Manager Blomquist have been working on the 5 year capital plan. The following are items related to the electric department on the 1 year capital plan.
 - i. Vandyke Village – request to fund the third year of this project in the amount of \$265,709.52. This is the third of three years we had for the funding of this project.
 - ii. Skid Steer – In the past we have used the City’s skid steer on many projects. This year the City decided to make this piece of equipment surplus so that they could trade it to the City of Newark for a garbage truck. This leaves us without this equipment. We would like to purchase a skid steer. The amount we would like to put on the capital budget is \$54,000.00.

11. Operating Budget:

MUNICIPAL SERVICES COMMISSION
CITY OF NEW CASTLE, DELAWARE 19720-0208
P.O. BOX 208
<http://newcastlemsc.delaware.gov/>
Office: 302 323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

ELECTRIC DEPARTMENT COMMISSION REPORT

December 19, 2019

Prepared by Scott Blomquist on December 11, 2019

- I. Manager Blomquist has prepared and submitted a first draft of the Electric Department Operations Budget FYE 2021 to GM Patone for review.

12. Pole Attachments:

- I. Fibertech/Crown Castle reached out to Manager Blomquist requesting attaching to MSC poles on Buttonwood Ave and a portion of Wilmington Rd. The application process was started, an estimate of make ready construction costs was provided to Fibertech/Crown Castle. The estimate was paid and the work performed by the MSC.

MUNICIPAL SERVICES COMMISSION
CITY OF NEW CASTLE, DELAWARE 19720-0208
P.O. BOX 208

<http://newcastlemsc.delaware.gov/>

Office: 302 323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

MEMO

December 19, 2019

Prepared by Scott Blomquist on December 19, 2019

ADDITIONS TO ORIGINAL REPORT DISTRIBUTED AT MEETING

1. Wilmington Road Substation:

- I. We met with Ametek on December 18th. We concluded the annunciator would need to be sent back to the manufacturer if we want to repair it. Last month I reported the cost to purchase an exact replacement was \$13,800.00 and a replacement that would include just the functions we currently use would be \$9,624.00. The cost to repair the existing one is unknown until the annunciator is sent back and evaluated. This location has 2 annunciators. We have an option to rewire and reprogram the good annunciator to except the alarm points from the bad one so we can remove it and send it back. This will require us to have Ametek send us new labels for the face that we can use until the bad annunciator is repaired or replaced. As we don't know the cost of repairs yet we feel this is the appropriate way to move forward. Ametek will evaluate the annunciator and get us a cost to repair before they make any repairs so we can decide if purchasing a new one is the most economical decision. We are waiting for Ametek to provide us with the cost to print new labels. EUM Blomquist is adding to the capital budget \$15,180.00 for this capital item which includes a 10% contingency on the purchase of an exact replacement. We will plan to rewire the good annunciator, send the bad one back to be evaluated, and then make a decision on the appropriate way to move forward.

2. AMI:

- I. We are going to lose technical support on our current meter reading devices and software in 2021. We met with Itron to discuss options if we are not converted to AMI when the support runs out. They have a solution that will continue to be supported. The cost for this solution is \$24,200. with training. As we are uncertain of the conversion timing and to keep us from running up to the deadline, this item will be placed on the capital budget for FYE 3-31-21 so management does not have to rush the planning and implementation of the AMI project. There is also a yearly maintenance cost of \$1,200.00.

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

<http://newcastlemsc.delaware.gov>

Office: 302-323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

Water Department Commission Meeting Report

December 19, 2019

Prepared By: Jay Guyer on December 12, 2019

1. Projects

A. Riverbend Subdivision

1. Riverbend was flushed on December 5th to maintain the required Chlorine Residual.

B. Water Metering

1. Meter reading was completed on December 12th. Water Operators followed up on water check reads and missed reads as needed.

C. Cross Roads Well – Penn Farm

1. WUM Guyer had several follow up discussions with DNREC Water Allocations Branch manager Bill Cocke in reference to our Allocation Permit Application. The internal review process has been initiated and assigned to a hydrologist. WUM Guyer received several questions from the hydrologist and will respond with support information.

D. The Garrison Apartment Complex – 7th Street

1. WUM Guyer followed up with Pennrose and SB Conrad on the punch list items. No response or actions have been taken to address the items on the punch list. WUM Guyer will follow up with Pennrose advising the punch list items will be addressed / corrected and deducted from the money being held in escrow. Once completed, the final billing and reconciliation of the project will be completed.

E. Delaware Street Cleaning and Lining - 3rd to 6th Street

1. Project is complete. WUM Guyer and WUS Jaeger are reviewing the budget vs. actual costs for project reconciliation.

F. Delmarva Power Gas Main Installation

1. Brandywine Construction Company, Inc. (BCCI) continues installation of the Delmarva Power gas main along RT-273 at the intersection of RT 13. Final restoration and cleanup is being performed at the RT-273 and Basin Road intersection. MSC will continue to monitor the installation to ensure no water related issues arise.

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

<http://newcastlemsc.delaware.gov>

Office: 302-323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

Water Department Commission Meeting Report

December 19, 2019

Prepared By: Jay Guyer on December 12, 2019

G. Del DOT – SR 9 / SR 273 Delaware Street Railroad Crossing Safety Improvements

1. Century engineering forwarded updated railroad construction plans to WUM Guyer for review. A meeting to discuss the water main work and options will be scheduled after Century Engineering completes additional survey work at the intersection of 9th and Delaware Streets for coordination of a traffic signal installation. The estimated cost of materials for the water main work have been included in the Capital Budget.

H. Delaware Street Repaving – City Project

1. GM Patone, EUM Blomquist, and WUM Guyer have met with the City, their Engineer, and Delmarva Gas to discuss the gas main and service replacement on Delaware Street from 4th to the Strand. Delmarva is starting the engineering and will plan to coordinate work with the City Contractor to meet the City deadline of having paving completed by the end of May. WUS Jaeger created water and electric system plan files from the ESRI Mapping System and forwarded them to Delmarva's Engineer. Draft plans of the gas main replacement will be forwarded to MSC for review. Converting the aerial electric to underground is being considered and options to do a joint utility trench are being explored with Delmarva and their contractor.

I. Interconnection Room Re-piping

1. MSC Water Operators are cleaning and prepping the newly installed pipe and components for painting. This project is complete and will be reviewed and reconciled with accounting.

J. New Townhomes by Cirillo Brothers

1. WUM Guyer has nothing to update on this project.

K. AMI Metering Project – American Municipal Power, Inc.

1. GM Patone and the management team will be meeting with City of Milford representatives to discuss their experience with the AMP AMI Metering Solution. WUM Guyer and WUS Jaeger have followed up with the Brandon Poddany discussing the AMP AMI metering solution and options for the best approach to implementing our system. WUM Guyer and WUS Jaeger met with Badger Meter Representatives and discussed their metering and relationship with Itron. WUM Guyer is working on meter and AMI module counts for having AMP update our proposal.

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

<http://newcastlemsc.delaware.gov>

Office: 302-323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

Water Department Commission Meeting Report

December 19, 2019

Prepared By: Jay Guyer on December 12, 2019

L. Carrie Downie Elementary School

1. WUM Guyer and WUS Jaeger met with Ted Lambert from Colonial School District in regards to discolored water within the school and their plan for moving forward. Mr. Lambert has been in contact with the State Department of Health and is reviewing options to use the water in the kitchen and for utility purposes. Mr. Lambert agreed to keep MSC updated on their progress and actions. The plan is to completely replace the water service line including the water main tap during the Summer of 2020.

2. Operations

A. Outages and Reporting

1. There were no planned and one unplanned water outage for the month of November 2019. The unplanned outage occurred on November 14th when the 4" domestic main supplying the 901 East Basin Road started leaking while the contractor installing the gas main was working in the area. The outage lasted 1 hour 30 minutes and affected 1 customer.
2. Waste Management Minquadale Landfill - WUM Guyer has no update on the landfill permit modification.
3. Vessel #1 Carbon Change Out – Calgon Carbon was on site December 3rd to change out the 20,000lbs of spent carbon in Vessel #1 and slurry in 40,000lbs of pH Stabilized Filtasorb 400 Carbon. The exchange was completed without incident and the option of using the pH stabilized carbon is being evaluated by WUM Guyer and WUS Jaeger.
4. ATSDR Testing in New Castle County – WUM Guyer has nothing to update on this item.
5. GM Patone received a FOIA request from the tenant at Centerpoint Building 250 in reference to water quality test results. The request was reviewed and discussed. WUM Guyer and WUS Jaeger will start collecting the requested information.
6. One or Two Water Operators have been working daily with the Electric Linemen on the Van Dyke Underground Conversion running equipment, installing conduits, paving, and finishing concrete.

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

<http://newcastlemsc.delaware.gov>

Office: 302-323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

Water Department Commission Meeting Report

December 19, 2019

Prepared By: Jay Guyer on December 12, 2019

B. System Repairs and Maintenance

1. School Lane Well Rehabilitation – WUM Guyer approved AC Schultes to move forward with the chemical redevelopment of School Lane Well using the NuWell 110 Acid and rebuild the pump assembly as quoted. AC Schultes (ACS) is reviewing their schedule and will advise when they plan to be on site to start the redevelopment work.

C. Budgets and Grants

1. Water Infrastructure Advisory Council (WIAC) Grants – MSC and RKK representatives had a progress meeting on November 22nd. RKK representatives have weekly internal progress meetings. WUM Guyer is researching the options for a tablet to be used for the field data collection. MSC data has been reviewed and migrated into the ESRI Local Government Model Software. MSC and RKK representatives had a follow up meeting / conference call on December 4th to review the database fields/attributes to determine what data will be need to be included in the final migration and what additional data MSC would like to include. Training on the new software is scheduled for December 13th starting at 8:00am followed by field work in the afternoon.
2. WUM Guyer and EUM Blomquist have been meeting with GM Patone to update the 5 year capital budget and prepare our FYE 3-31-2021 Capital Budget. WUM Guyer and WUS Jaeger have been working on the Capital Budget reviewing projects, updating costs from contractors/suppliers, and developing costs for proposed projects. Proposals and estimates for Capital Projects were forwarded to GM Patone and AM French.

Following is a list of the proposed projects:

Water Projects

- | | |
|--|--------------------|
| Intersection of 6 th and Delaware Street Paving (Carry Over) | <u>\$30,756.00</u> |
| The intersection of 6 th and Delaware Street was not paved during the Cleaning and Lining project due the State planning to install conduits around the intersection for the new traffic control light. Paving will be coordinated with the state when the project is completed in June 2020. | |
| School Lane Well Rehabilitation (approved 10-17-19 Minutes) | <u>\$27,010.00</u> |
| School Lane Rehab was moved up due to issues with the motor and pump. The last rehabilitation was performed in 2007. Originally planned for FYE 2023, it would have had 16 years of service which exceeds the industry standard of 7 – 9 | |

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

<http://newcastlemsc.delaware.gov>

Office: 302-323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

Water Department Commission Meeting Report

December 19, 2019

Prepared By: Jay Guyer on December 12, 2019

years of service between rehabilitations. During disassembly, it was found the pump assembly bolts corroded allowing the bowl assemblies to start separating.

School Lane Well VFD Controls / SCADA Programming \$26,000.00
Installation of the VFD Controls for the SL Well motor and pump will greatly improve efficiency of the facility by eliminating the pump being operated against a near fully closed gate valve restricting flow. This practice increases energy consumption as the pump is running at full speed to move the water it was designed to however to prevent over pumping the well the valve is partially closed to limit the gpm. The VFD will allow the pump motor to be paced with the system demand. No AC unit needs to be installed for the SL VFD controller as it will be locating in the Motor Control Center in the in the Lab which is already climate controlled.

Delaware Street Railroad Crossing – Water Main (Materials) \$32,000.00
MSC has 3 water mains running under the Norfolk Southern Railroad tracks, 2 dating back to the 1890's and one dating back to the 1970's. The 2 oldest mains are in direct conflict with the proposed construction project. The goal is to eliminate the 2 old mains crossing under the tracks and have the latest 12" main remain undisturbed. The state has agreed to engineer the water main relocations and have their contractor perform the work prior to the track work provided the MSC would supply the materials. The planned start date is July 2020.

Delaware Street 12" Main Extension – 10th St. Crossing (Materials) \$37,000.00
Extending the 12" main and crossing Delaware Street with the new 8" main can be cost effectively completed during the Delaware Street Railroad track closing in July 2020. This will allow MSC Water Operators to open cut and install the new 8" main across Delaware Street and tie into the dead end main on 10th Street. Looping of the dead end main will improve water quality, reliability, and fire flow for the Shaw Town Area.

Frenchtown Road Well Rehabilitation \$33,000.00
Last rehabilitation was performed in 2005. Originally planned for FYE 2021, it would have had 16 years of service which exceeds the industry standard of 7 – 9 years of service between rehabilitations. For reliability, rehabilitation is being moved up due to concerns the pump could experience the same type of issues SL motor and pump have thus reducing reliability.

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

<http://newcastlemsc.delaware.gov>

Office: 302-323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

Water Department Commission Meeting Report

December 19, 2019

Prepared By: Jay Guyer on December 12, 2019

Frenchtown Road Well VFD Controls / SCADA Programming \$26,100.00
Installation of the VFD Controls for the FTR Well motor and pump will greatly improve efficiency of the facility by eliminating the pump being operated against a near fully closed gate valve restricting flow. This practice increases energy consumption as the pump is running at full speed to move the water it was designed to however to prevent over pumping the well the valve is partially closed limit the gpm. The VFD will allow the pump motor to be paced with the system demand.

Frenchtown Road Well A/C Unit (For Controls) \$7,500.00
Installing an AC unit at FTR Well will improve the operating environment for the proposed VFD motor controller and additional SCADA equipment to be installed for the VFD Drive. The increased electric demand will be offset by the installation of the VFD motor controller.

Asset Management Project (Reimbursable) \$50,000.00
Part of the \$100,000.00 Grant received from the Water infrastructure Advisory Council, this project will allow MSC to improve our GIS mapping of the water system to better manage our assets. Additionally it will include vertical assets such as the water tanks and structures. This technology could be the model for the electric system to improve their GIS mapping system.

Facilities Projects

Heating Units 100 Municipal Boulevard – Utility Building \$8,000.00
The heaters in operation at the Utility building are the original equipment units installed when the building was built in 2003. They Are currently 16 years old and requires repairs several times a year to keep them operational. New units will offer reliability and higher efficiency then the original units thus reducing energy and gas consumption.

Trucks / Large Equipment

T-3 Pick Up Truck (Replaces Meter Reading Van) \$42,250.00
Water Operations currently has 6 employees and only 4 trucks which forces Operators to share a truck which can be inefficient. The plan would be to assign the current T-14 Utility Truck to a Water Operator and have the new T-3 pickup truck be used by WUM Guyer and WUS Jaeger to improve operational efficiency.

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

<http://newcastlemsc.delaware.gov>

Office: 302-323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

Water Department Commission Meeting Report

December 19, 2019

Prepared By: Jay Guyer on December 12, 2019

B. WRA – Water Resource Agency

1. WUM Guyer is sending weekly pump data to Jerry Kauffman of University of Delaware Water Resource Agency (WRA).

C. DEWARN – Delaware Water/Wastewater Agency Response Network

1. The next DEWARN meeting date is to be determined.

D. Water Operator Advisory Council Meeting

1. The December 5th Council meeting went well. Council reviewed and approved 12 Operator License Applications. The September 5th Meeting Minutes were approved as amended. The draft regulations changes including additional definitions clarifying process / non-process courses and continuing education hours were discussed and will be submitted to the Attorney General for review. New courses from Del Tech and DRWA were submitted for review and approval by Council for continuing educations credits. Council Member Terms – applications are in the Secretary's possession for review / approval. Appointments will be announced prior to the June 2020 Council Meeting. Council Regulations review – DNREC Wastewater Advisory Council completed the last independent review and will be contacted about performing our next review.
2. The next meeting is scheduled for March 5, 2019.

E. Delaware Public Service Commission – Miss Utility Damage Prevention Reporting

1. WUM Guyer received written notification from the Public Service Commission in reference to starting work on regulations governing the enforcement of the Underground Utility Damage Prevention and Safety Act as amended by Senate Bill 189. WUM Guyer will receive notification of the meeting dates / times and will plan to attend. The Commission Staff plans to have a proposal drafted for presentation June 30, 2020.

F. Miss Utility of Delmarva Monthly Meeting

1. The next meeting is scheduled for December 19th at Artesian Water Company in Newark, DE.

End of Report

Attachments: November 2019 Water Works Report
November 2019 Water Outage Tracking Sheet

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

<http://newcastlemsc.delaware.gov>

Office: 302-323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

Water Department Commission Meeting Report

December 19, 2019

Prepared By: Jay Guyer on December 12, 2019

3. WUM Guyer and WUS Jaeger worked on and completed the Draft Operations & Maintenance Budget for FYE 3-31-2021. WUM Guyer forwarded a copy of the Draft O & M Budget to GM Patone and AM French.

D. Equipment

1. The new T-9 Dump Truck – the chassis has been delivered to the body manufacturer for the dump body to be installed. The truck is scheduled for an early December delivery.
2. WUM Guyer has requested and received quotes for the proposed new T-3 Truck from NuCar Chevrolet and Bayshore Ford Trucks. The proposals have been forwarded to GM Patone and AM French.

E. Personnel and Training

1. No personnel issues to report at this time.
2. WUM Guyer and WUS Jaeger thank the Commissioners and GM Patone for the Employee Recognition and Holiday Breakfast, our Christmas Bonus, and wish everyone a Happy Holiday

F. Safety

1. MSC Water Operators and Facility Person hold daily morning tailgate talks discussing jobs/tasks to be performed that day, potential issues or hazards to be considered, and safety concerns.
2. MSC Water Operators and Facility Person continue with Safety Training utilizing the MSC Safety Policy and Procedures Manual.

3. Reporting Agencies

A. WSCC - Water Supply Coordinating Council

1. The next meeting is scheduled for January 30, 2020.